



HED Property Owners
Association Directors
★★★

David Green
President
Nederlander West Coast

Russell Joyner
Vice President
TrzechHahn

Pietra DuBuclet
Treasurer
Meringoff Equities

Raubi Sundher
Secretary
*Guinness World of
Records/ Hollywood
Wax Museum*

Michel Bolour
Bolour Trust

Ed Collins
Buena Vista Pictures

David Gajda
Hollywood Software

Sam Goren
33 Cherokee Ave

William Hertz
Mann Theatres

Sheila Holincheck
Vinewood LLC

Kathy Ketchum
*LA Gay & Lesbian
Center*

Nathan Korman
1723 Wilcox

Jim Reichow
Campus Hollywood

John Tronson
Ramsey-Shilling

Monica Yamada
CIM Group

Honorary Directors:
Captain Mike
Downing
LAPD - Hollywood

Leron Gubler
*Hollywood Chamber of
Commerce*

Hollywood Entertainment District
7083 Hollywood Blvd., Suite 304
Hollywood, CA 90028
phone 323 463 6767 fax 323 463 1839

December 29, 2000

TO: Harry Jacobs, Special Assessments Unit
Office of the City Clerk

FROM: Kerry Morrison
Executive Director
Hollywood Entertainment District Property Owners Association

SUBJECT: Fourth Quarter
October 1, 2000 through December 31, 2000

As is required in our Agreement with the city of Los Angeles, I am submitting our Fourth Quarter Report to summarize key activities of the Hollywood Entertainment District. This report covers both BIDs – Phase I and Phase II. The activities will generally refer to the entire District, unless activities specific to one of the Phases are important to highlight.

I. Operational Issues

- ▶ The Court of Appeals, Second District, issued a ruling on November 30, 2000 that overturned a ruling favorable to the HEDPOA that had been issued by the Superior Court in 1999. The ruling in *Epstein v. Hollywood Entertainment District, City of L.A.* essentially declares that the private, non profit association that manages the day-to-day affairs of the BID – the HEDPOA – is essentially a legislative body, and as such, should be subject to the state's Open Meetings Act, also known as the Brown Act. A petition for rehearing was filed on December 15, 2000 by Association's counsel, Sheppard Mullin Richter & Hampton, LLC (approximate cost – \$6,000 to 7,000). The city attorney's office also filed a petition for rehearing. An injunction will not take place until the legal options available to the POA and city are exhausted.
- ▶ A meeting was held in the City Clerk's office on December 18, to discuss how to handle the reserve funds that have accumulated in the Phase I BID account and the Phase II BID account. The objective of both the BID

Fourth Quarter Report
December 29, 2000

Renewal Steering Committee and the HEDPOA Board of Directors is to roll those funds into the new BID formed for the period 2002-2006. The advice of the City Clerk and City Attorney's office is to hold an open meeting of the Phase I and Phase II Advisory Board and to seek approval for amending the Management District Plan for each BID to indicate that funds that accumulate at the end of the lifespan of one BID can be rolled into a subsequent BID, provided that only the same properties that contributed the funds will benefit in the new BID. A Phase I and Phase II Advisory Board meeting for this purpose will be convened in January, 2001.

- ▶ Five directors were elected to three-year terms at the November 14, 2000 meeting of the HEDPOA. They are: Kathy Ketchum of the L.A. Gay and Lesbian Center; Ed Collins of Buena Vista Theatres; Sheila Holincheck of Vinewood LLC; John Tronson, Ramsey Shilling; and Bill Hertz, Mann Theatres (re-elected). At this meeting, the directors also elected officers: David Green, Pantages Theatre, president; Russ Joyner, TrizecHahn, vice president; Raubi Sundher, Wax/Guinness Museums, secretary; Pietra DuBuclet, Meringoff Equities, treasurer.
- ▶ A budget for the final year of the Phase I BID and Phase II BID was approved by the HEDPOA Board at their December 14, 2000 meeting, and subsequently approved by the Phase I and Phase II Advisory Boards on December 20, 2000.
- ▶ The Board of Directors voted at their 12/14/00 meeting to open their board meetings to property owners, commencing with the January 25, 2001 meeting.

II. Security

- ▶ The Security Committee coordinated a Request for Proposal process to seek competitive bids for the District security services contract. The RFP was sent to over 25 firms. Nine companies attended a pre-bid meeting and subsequent walk-through of the District. Seven companies submitted proposals by the 11/13/00 deadline. A subset of the committee interviewed four companies on December 19, 2000. At present, the interview committee is recommending that Burke Executive Security, the District's current vendor, receive a contract extension. This recommendation will work its way through the Security Committee and the Board in January.
- ▶ A meeting with local social service providers, including the L.A. Coalition to End Hunger & Homelessness, the Hollywood Community Action

Fourth Quarter Report
December 29, 2000

Network, the Lord's Lighthouse feeding program; My Friend's Place; LA Youth Network, Children's Hospital of L.A., and Blessed Sacrament Social Services met with representatives from Burke Security and HED on November 10. The purpose was to maintain an ongoing dialogue relative to the security presence in the BID and the needs and concerns of runaway youth and homeless individuals.

III. Streetscape Issues

- The Queen Palms were planted on Cahuenga during the second week in November. The job was completed, decomposed granite tree wells installed, and the contractor, Hollywood Beautification Team, has commenced a one-year irrigation contract.
- The Streetscape Committee took a bus-tour throughout the District in October to view conditions in the BID and to assess the need for landscaping and maintenance projects on side and back streets. One immediate action involved the increasing of the pressure washing schedule on Zone E in the BID – consisting of Yucca, Selma, Cosmo, Shrader, Hudson, Vista del Mar, Hawthorn, El Cerrito) from twice a year to once a month. This amounted in a \$17,000 change order to the CSM contract.
- The city has begun work on an amended newsrack ordinance. The Streetscape Committee will monitor these developments, and the Board endorsed the appointment of Leron Gubler of the Hollywood Chamber of Commerce to a working group on this topic that will work with the Dept. of Public Works.
- The city posted notices on the Ficus Trees on Vine to indicate that they would be scheduled for removal. The notices were posted on 9/25 and remained in place for 30 days. A public hearing has yet to be set.
- The Star-Trackers at Hollywood/Vine were repaired with funds from the HCIP grant.
- Upon the recommendation of the Streetscape Committee, the Board authorized a not-to-exceed cost of \$7,000 to refurbish/paint 120 planters and plant new plants in 80 planters.

Fourth Quarter Report
December 29, 2000

IV. Marketing

- ▶ The 2001 version of the HED Visitors Guide and Map underwent a revision and will head to the printer in early January. The total cost of this project will be in excess of \$55,000, most of it funded by a "marketing co-op" of 33 marketing partners. The marketing partners pay \$950 for a "bubble listing" on the map, or an additional \$950 for a coupon. For 2001, 450,000 maps will be printed, and the HED is renewing its distribution agreement with Certified Folder to distribute the map to more than 860 locations throughout Southern California.
- ▶ The HED is working with the LA Convention and Visitor's Bureau to try to generate support and interest in the Community of Angels program. The idea is to secure sponsors of angels that will be strategically displayed throughout the city, and then ultimately auctioned off to support certain charities. The HED will sponsor one angel if five other sponsors are identified in the Hollywood area.
- ▶ The Board voted to extend the contract with Sudhalter Communications through September 30, 2001.
- ▶ Plans are underway for a Real Estate Open House featuring retail real estate available for sale or lease, scheduled for the first quarter of 2001.

V BID Renewal

- ▶ The BID Renewal Steering Committee met frequently over the course of the final quarter of the year. By the end of the quarter, they had fleshed out recommended boundaries, an assessment formula, a recommended budget of \$2.25 million and an assessment roll. These details were unveiled at the All Property Owners/Advisory Board meeting on December 20, 2000.
- ▶ The city has informed the HEDPOA that it will have to submit a contract proposal in order to receive reimbursement for the direct costs that the District will handle relative to the BID formation (e.g., collating, copying, mailing, printing, meeting expenses). That proposal was forwarded to the city on December 29, 2000.
- ▶ The HEDPOA sent a letter to Councilmember Jackie Goldberg on 11/29/00 asking her assistance in placing the Hollywood-Vine Assessment District assessment on hiatus during the lifespan of the new BID, 2002-2006. After

Fourth Quarter Report
December 29, 2000

that, Councilmember Goldberg needed to contact Richard Jaramillo of the Bureau of Street Lighting to pursue this.

VI. Other

- The Board authorized return of the Design Charrette funds that had been collected in 1998/99 from property owners contacted by Councilmember Jackie Goldberg's office and the CRA to help fund a charrette. The HEDPOA was serving as the trustee for the funds. The Charrette is no longer a viable project; therefore the funds shall be returned.
- Kerry Morrison continues to coordinate monthly meetings of the L.A. City BID Consortium. This consortium is also researching the possibility of pooling insurance applications in order to seek a volume discount on general liability insurance.

C:\MyFiles\directorsmargin.wpd